



U.S. DEPARTMENT OF COMMERCE  
Foreign-Trade Zones Board  
[Docket 73-2011]

Foreign-Trade Zone 277 – Western Maricopa County, Arizona  
Application for Manufacturing Authority  
Sub-Zero, Inc.  
(Refrigerators and Freezers)  
Goodyear, Arizona

An application has been submitted to the Foreign-Trade Zones Board (the Board) by the Greater Maricopa County Foreign Trade Zone, Inc., grantee of FTZ 277, requesting manufacturing authority on behalf of Sub-Zero, Inc. (Sub-Zero), located in Goodyear, Arizona. The application was submitted pursuant to the provisions of the Foreign-Trade Zones Act, as amended (19 U.S.C. 81a-81u), and the regulations of the Board (15 CFR part 400). It was formally filed on November 10, 2011.

The Sub-Zero facility (260 employees, 10 acres, 150,000 units/year) is located at 4295 N. Cotton Lane within the Palm Valley 303 Industrial Park in Goodyear, Arizona (Site 3). The facility is used to manufacture refrigerators, freezers, and wine storage units for export and the domestic market. Components and materials sourced from abroad (representing 14% of the value of the finished products) include: oils, greases, paints, varnishes, caulking, sealants, cleansers, glues/adhesives, epoxies, chemical binding agents, polyethylenes, polystyrenes, polyvinyl acetates, polyamides, articles of plastic, silicones, boxes, cases, crates, pallets, ethylene bags, stoppers/lids/caps, table utensils, articles of rubber, articles of paper, printed materials, slag/rock wools, safety glass, silver, fasteners, springs, wire, articles of steel, copper tubes/pipes/fittings/profiles, aluminum bars/rods/profiles/fasteners/foil/fittings, structures of aluminum, articles of zinc, articles

of magnesium, locks, base metal mountings, automatic door actuators, pumps, compressors, fans, air conditioners, heat pumps, refrigerator parts, filters, process controllers, taps, valves, bearings, gears, electric motors and parts thereof, transformers, semiconductor devices, converters, magnets, electrical components, lamps, coaxial cable, insulators, regulators, thermostats, timers, and lighters (duty rate range: free – 10.7%; 14.8¢/kg+3.5%; 45¢ ea.+6.4%+2.5¢/jewel).

FTZ procedures could exempt Sub-Zero from customs duty payments on foreign materials and components used in export production. The company anticipates that some 10 percent of the plant's shipments will be exported. On its domestic sales, Sub-Zero would be able to choose the duty rate during customs entry procedures that applies to refrigerators, freezers, and wine storage units (duty rate – free) for the foreign inputs noted above. Sub-Zero would also be exempt from duty payments on any of the foreign inputs that become scrap or waste during manufacturing. FTZ designation would further allow Sub-Zero to realize logistical benefits through the use of weekly customs entry procedures. Customs duties also could possibly be deferred or reduced on foreign status production equipment. The application indicates that the savings from FTZ procedures would help improve the plant's international competitiveness.

In accordance with the Board's regulations, Pierre Duy of the FTZ Staff is designated examiner to evaluate and analyze the facts and information presented in the application and case record and to report findings and recommendations to the Board.

Public comment is invited from interested parties. Submissions (original and 3 copies) shall be addressed to the Board's Executive Secretary at the address below. The closing period for their receipt is *[insert date 60 days from date of publication]*. Rebuttal comments in response to material

submitted during the foregoing period may be submitted during the subsequent 15-day period to January 30, 2012.

A copy of the application will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 2111, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230-0002, and in the "Reading Room" section of the Board's website, which is accessible via [www.trade.gov/ftz](http://www.trade.gov/ftz).

For further information, contact Pierre Duy at [Pierre.Duy@trade.gov](mailto:Pierre.Duy@trade.gov) or (202) 482-1378.

Dated: November 10, 2011

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Andrew McGilvray  
Executive Secretary